GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Home Department - Cases against "Youth and Strength Christian Social Welfare Association (Y.S.C.S.W.A)"–**Attachment of movable properties** – Under Section 3 of the Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 – Ad-Interim orders- Issued.

HOME (GENERAL. A) DEPARTMENT

G.O.MS.No. 122 **Dated: 21-07-2017**
Read the following:-

Ref: 1) G.O. Ms.No.193, Home (Genl. B) Department, dated 23.08.2001.
2) From the Additional Director General of Police, Crime Investigation Department, Andhra Pradesh, Vijayawada, C.No.2571/C-11/CID/2011, dated 03.05.2017.

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O R D E R:

In the G.O 1st read above, to safeguard the interests of the depositors, Government have appointed the Additional Director General of Police, Crime Investigation Department or Inspector General of Police, Crime Investigation Department as the case may be as "Competent Authority" under sub-section (1) of section 4 of the Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 (Andhra Pradesh Act No.17 of 1999) to exercise control over the properties attached by the Government under section 3 of the said Act.

2. The Additional Director General of Police, Crime Investigation Department, Andhra Pradesh has stated that one Sri Gunti Ajay Babu (A2), Chairman of Youth & Strength Christian Social Welfare Association (YSCSWA) Trust has collected deposits from the public by luring them that their investments would fetch good returns within a span of 6 months. However, the trust defaulted on the payments to the depositors, when they matured. Basing on the complaint of victim Sri Arava Moses of Nellore, a case was registered on 24.09.2011 in Cr. No. 126/2011 under section 406, 420, 120.B Indian Penal Code (IPC) and 5 of Andhra Pradesh Protection of Depositors of Financial Establishments (APPDFE) Act, 1999 in Nellore -I Town P.S., SPSR Nellore District. Later, it was taken over by CID on 18.10.2011 for further investigation.

3. He has also stated that during the course of investigation by the CID, it is revealed that the accused Sri Gunti Ajay Babu (A2) and 6 others (A3 to A8) formed a society in the name of Youth & Strength Christian Social Welfare Association (YSCSWA) Society at Chennai and registered the same with Registrar of Societies, Chennai Central, Tamil Nadu State vide RC.No.50/2011. They had enrolled around 25010 depositors through 81 agents/sub-agents and collected an amount of Rs.7,02,92,100/- from the depositors and repaid an amount of Rs.2,60,82,120/-to the depositors. The accused has defaulted payments to a tune of Rs.4,42,09,980/- to the victim depositors.

4. He has further stated that during the course of investigation, it was established that, **A1**- is Youth and Strength Christian Social Welfare Association, **A.2** Gunti Ajay Babu, Choolai, Chennai-11, **A.3** E. Joseph, S/o Jacob, Cooks Road, Chennai**, A.4** Dr. Banka Suresh Babu, @ Suresh Babu Yadav, Pogathota, Nellore, **A.5** G.Vijay Babu, Ambathur, Chennai, **A.6** G. Ramesh Babu, Choolai, Chennai-112; **A.7** G.Sathyamurthi, S/o David, Choolai, Chennai-600112; **A.8** G. Bapuji, S/o. Ajay Babu, Choolai, Chennai-112; **A.9** J. Vijay, S/o Joseph, Perambur, Chennai – 112; **A.10** J. Rajesh Kumar, S/o Joseph, Perambur, Chennai -112, **A.11** G. Raj, S/o Vijay Babu, Choolai, Chennai-112, **A.12** Damavarapu Samson, Apadipalem, Nellore; **A.13** Kudumula Ramaiah, Balaji Nagar, Nellore; **A.14** B.Suresh Babu, Nellore, **A.15** Davaluri Chinna Kondaiah,

S/o Kalagaiah, Kavali; **A.16** Eduru Rathnakar, Padugupadu, Kovur; **A.17** Vangapuram Salmon Raju, ARPC 590, Buchireddypalem; **A.18** Machala Raju, S/o Moshes, Kavali; **A.19** Moshe, Indukurupeta, SPSR Nellore dist; **A.20** Vatambeti Subbarao, Kota Village & Mandal, SPSR Nellore District, and **A.21** Damavarapu Samsun, Kapadipalem, Nellore. A1 to A21 were identified as accused persons, who are responsible for the diversion of deposited amounts from the public and the Charge sheet in this case was filed in the Court of Hon'ble Prl. & District Sessions Judge, Nellore. In this case earlier, one house site in 160 sq. yards in Survey No. 1086/1, south to D.No. 11-17-17A, Kavali Bit-II, Ward No. 11, Chavidi Street, Kavali was purchased with the collected money of the trust by the accused D.C. Kondaiah(A15) and got registered on the name of his wife namely Davuluri Kalavathi w/o D.C.Kondaiah. The Government have issued orders vide GO Ms. No. 92 of Home (General-A2) Department, dt.25-06-2015 for attachment of the property and it is under process of issuing absolute orders in the Court of Hon'ble Prl.& District Sessions Judge, Nellore.

5. He has stated that during the course of investigation, the I.O. has identified and seized the properties i.e. Alto (Maruthi) car, building and Cash Rs.60,000/- and also as per Section 3 of A.P. Protection of Depositors of Financial Establishments Act 1999, the Government may, in order to protect the interest of the depositors of such financial establishments, pass an ad-interim order for attaching the following properties:

(a) Alto (Maruthi) car bearing Regd.no.AP26 AY 4668 pertains to the accused A20-Vatambeti Subbarao of Nellore was seized under the cover of police proceedings and was deposited in the Court of Hon'ble 2nd AJFCM, Nellore and the said property was kept in the premises of CID, RO, Nellore.

(b) The house building bearing D.No.45, Ward No.16-2, Pogathota, Nellore town and it was purchased by the accused A4-Banka Suresh Babu @ Suresh Babu Yadav with the collected money of the trust and was registered on his name vide Doc.No.6058/2011 of SRO Nellore.

(c) Seized Cash of Rs.60,000/- from A13-Kudumula Ramaiah of Nellore during his arrest under cover of Mahazarnama in the presence of the mediators and the same was deposited in the Hon'ble Court of 2nd AJFCM, Nellore vide CPR No.105/2011, dt.05.11.2011.

6. The Additional Director General of Police, Crime Investigation Department, Andhra Pradesh has therefore, requested that the Government may pass an ad-interim order for attaching the above mentioned movable and immovable properties i.e. seized vehicle Alto (Maruthi) car, house building and Cash Rs.60,000/- and also to authorize him as Competent Authority to take further necessary action.

7. In the circumstances reported by the Additional Director General of Police, Crime Investigation Department, Andhra Pradesh, Government have examined the matter carefully in the light of the provisions of Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 and hereby issue an ad-interim order under Section 3 of the said Act, for attachment of properties in respect of Youth and Strength Christian Social Welfare Association (Y.S.C.S.W.A) and to protect the interests of the depositors of the said defaulted financial establishment.

8. The Additional Director General of Police, Crime Investigation Department, Andhra Pradesh, is authorized as Competent Authority to file an affidavit in the concerned Court to make the present order absolute for attachment of properties.

9. The Additional Director General of Police, Crime Investigation Department, Andhra Pradesh, being the Competent Authority is requested to take necessary further action in the matter accordingly as per the provisions of the said Act and

the rules made thereunder, following due procedure and send compliance report to the Government.

10. This order is available on internet and can be accessed at address www.goir.ap.gov.in.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

A.R. ANURADHA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Additional Director General of Police, Crime Investigation Department,
Andhra Pradesh, Vijayawada.
Copy to:
The O.S.D. to Dy .C. M (Home)
The P.S. to M (Finance)
The Director General of Police,
Andhra Pradesh, Vijayawada.
The PS to Principal Secretary to Government, Home Department.
The Law(C) Department.
The concerned shown in the annexure through Additional Director General of Police, Crime Investigation Department, Vijayawada.
The Financial Experts Committee on Ponzy Schemes in Andhra Pradesh (through Additional Director General of Police, CID), Hyderabad.
The Collector & District Magistrate, Visakhapatnam District.
The SF/SC.

//FORWARDED : : BY ORDER//

SECTION OFFICER